(c) No such guidelines were issued earlier.

(d) The Insurance Sector is also vulnerable to money laundering like Banking and Capital Markets. The Prevention of Money Laundering Act, 2002 (PMLA) casts obligations upon banking companies, financial institutions and intermediaries to comply with the provisions of the Act and Rules framed thereunder. As such, the insurance companies are required to comply with PMLA, 2002. Accordingly, the IRDA has put In place guidelines for the Insurance Sector as a measure to check money laundering.

Exemption from tax to export-oriented industries

117. SHRI T.T.V. DHINAKARAN: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that 100 per cent export-oriented industries are exempted from various taxes/duties;

(b) if so, the details thereof; and

(c) whether Government propose to extend these concessions beyond the year 2010?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Yes, Sir.

(b) and (c) So far as direct taxes are concerned, section 10B of the Income-tax Act provides for 100% deduction of profits derived by hundred per cent export oriented undertakings from the export of any article or thing or computer software. This deduction is available for ten consecutive assessment year beginning with the assessment year relevant to the financial year in which the undertaking begins to manufacture/produce. However, the Government does not propose to extend the tax benefit under section 10B of the Income-Tax Act beyond assessment year 2009-10.

So far as indirect taxes are concerned, presently, Export Oriented Undertakings (EOU) are allowed exemption from import duty and central excise duty. These units are allowed to import capital goods, raw materials and consumables for the purpose of approved activities without payment of duty. Similarly, the EOUs are also allowed to procure capital goods, raw materials and consumables from domestic sources, for the purposes of approved activities without apyment of central excise duty. However, no

specific time limit has been provided up to which exemptions would be available.

Role of Infrastructure Development and Finance Corporation

118. DR. VIJAY MALLYA: Will the Minister of FINANCE be pleased to state:

(a) what is the role of the Infrastructure Development and Finance Corporation in developing infrastructure within the country by ways of setting up projects in energy, transportation, telecom and information technology etc.;

(b) what are the various projects in different sectors financed by the Company in the least three years, year-wise, together with financial outlays made in favour of these projects;

(c) what safeguards are built into the system of allocating funds to the projects to avoid instances such as Dauhol Power Project; and

(d) what are the working results of the corporation for the last three years?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) IDFC business strategy is to be "India's Specialist Infrastructure Bank" with in infrastructure focused project finance, investment banking and asset management franchise.

(b) Sector-wise and project-wise details with regard to gross approvals and gross disbursements for the last three years are given in Statement-I (See below).

(c) Safeguards include the following:

(i) Credit Appraisal.

(ii) Prudent selection of the borrower.